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EARL S. WARD
OF COUNSEL

VIA FIRST CLASS
MAIL & FACSIMILE

September 9, 2002

Mr. Owen Nolan
5655 Silver Creek Valley Road
No. 264
San Jose, Ca. 95138

Dear Mr. Nolan:

Pursuant to Ken Jowdy's and Phil Kenner's instructions, I have enclosed a promissory note from Baja Development Corporation made payable to you in the amount of \$500,000. Baja Development Corporation shall undertake to secure the enclosed promissory note by filing a lien in your favor against the approximately 10,000 acres located in El Rosario, Baja California, Mexico, currently controlled through long-term leases by LOR Management S.A. de C.V. The shares of LOR Management S.A. de C.V. shall be transferred to Baja Development Corporation.

KPMG Peat Marwick has previously appraised the aforementioned leasehold interests at more than \$10 million dollars. Please note that Baja Development Corporation will be securing two (2) additional promissory notes, each in the amount of \$500,000, by filing liens in favor of two (2) other individuals.

Baja Development Corporation is presently retaining corporate counsel to perform due diligence and draft a private placement memorandum to solicit investments in Baja Development Corporation in connection with the development of (2) golf courses. Corporate counsel for Baja Development Corporation shall contact you with respect to further securitizing the \$500,000 note, awarding you a membership in an anticipated golf club that will operate on the premises, and providing you with a prime building lot with an ocean view.

Liens for Khristich and Woolley also never occurred...

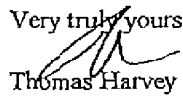
This fraud included Harvey's promises in September 2002 to transfer shares from Jowdy's 99% owned LOR Management (*in Mexico*) to Jowdy's 100% owned BDC (*with liens*)...none of which ever occurred or would have benefited Kenner and the Kenner investors - simply a diversion.

IF this lien was filed by Jowdy (and co.) -- the February 2006 \$3mm KSI loan would have been in 3rd position behind these BDC liens and the Hawaii 2004 collateral agreement -- but neither of them mattered to Jowdy and Harvey (*while perpetrating their frauds on Kenner and Kenner's investors*) from day one...

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The promissory note shall be paid in full to you after 100 members have been admitted to the golf club.

Thank you for your consideration in this matter.

Very truly yours,

Thomas Harvey